

OCT 29 '48

The Department of State

bulletin

Vol. XIX, No. 485
October 17, 1948

PERIODICAL ROOM
GENERAL LIBRARY
COPY OF BUREAU

PROGRESS OF U.N. IN PARIS • Statements by the
President and Secretary Marshall 483

DISCUSSION IN THE SECURITY COUNCIL OF THE
BERLIN CRISIS • Statement by Philip C. Jessup 484

FIRST CONGRESS OF THE INTERNATIONAL
LITERARY ASSOCIATION • Article by Raymond Chandler 485



For complete contents see back cover



The Department of State bulletin

VOL. XIX, No. 485 • PUBLICATION 3314

October 17, 1948

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$5, foreign \$7.25
Single copy, 15 cents

Published with the approval of the
Director of the Bureau of the Budget

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

THE UNITED NATIONS AND SPECIALIZED AGENCIES

Third Regular Session of the General Assembly

Discussions on Progress of U.N. in Paris

STATEMENT BY THE PRESIDENT

[Released to the press by the White House October 9]

General Marshall has returned to Washington at my request to report to me on the progress of the work of the various United Nations bodies in Paris. I had a long talk with him this morning, and again this afternoon. He gave me a detailed picture of what has been taking place in Paris, and we discussed questions relating to the future course of this Government in the various matters at issue.

With regard to the report published in this morning's press concerning a possible journey of Chief Justice Vinson to Moscow, the facts are as follows: On last Tuesday, when I communicated with Secretary Marshall, I told him of my continuing great desire to see peace firmly established in the world, and of my particular concern at this time over the attitude taken by the Soviet representatives regarding the atomic problem. I said that I was wondering whether their attitude did not reflect a misunderstanding in the minds of the Soviet leaders so serious, from the standpoint of world peace in general, that we would be remiss if we left undone anything that might conceivably

serve to dispel it. I asked the Secretary whether he felt that a useful purpose would be served by sending to Moscow Chief Justice Vinson, in an effort to make the Soviet leaders understand the seriousness and sincerity of the feelings of the people of the United States about these matters. Secretary Marshall described to me the situation which we faced in Paris, and, in the light of his report and the possibilities of misunderstanding to which any unilateral action, however desirable otherwise, could lead at present, I decided not to take this step.

My talk with Secretary Marshall has been gratifying to me. I was glad to hear his report of the unity which has prevailed between ourselves and the French and British representatives in Paris in all phases of the handling of the Berlin crisis, and of the earnest efforts being made by the Security Council and the General Assembly of the United Nations to find solutions to many of the other problems which have been troubling people everywhere. I was glad to be able to assure him of the determination with which people in this country are supporting our efforts to find the road to peace.

STATEMENT BY SECRETARY MARSHALL

[Released to the press October 9]

At his press conference on October 9 Secretary of State George C. Marshall said:

"The President called me home to go over with him the intimate details of what had happened in Paris. The daily events had been reported by radio. We settled on this week end as being the time most convenient to both of us to get together. I did not know until I got off the plane this morning of the statements in the press regarding the matter of Chief Justice Vinson making a direct approach to Generalissimo Stalin.

"Due to his very special position in this matter, the President had been deeply concerned by the intransigent attitude of the Soviet Government during the debate of the atomic problem of the past ten days. He called me late Tuesday after-

noon to a teletype conference and discussed with me the proposal of sending Justice Vinson direct to Moscow. After discussing the matter with him by teletype, the President decided it would not be advisable to take this action. The matter was then dropped. I had called to my attention in Paris and since my arrival here several statements in the press or by radio to the effect that there was a split between the President and the Secretary of State regarding important matters of foreign relations. There is no foundation for this. As a matter of fact, the policy to be followed by our Delegation in the current meeting of the United Nations General Assembly and of the Security Council was decided upon by the President before I left for Paris and has been the basis for the implementation by our delegates of the American

position in the conferences in Paris. Such statements can do no good and they certainly can do a great deal of harm and I deplore them.

"My plans at present are a little indefinite but I will probably return tomorrow night to Paris. The issues being discussed there are highly important and it is important that I be present."

Asked whether this Government had reached a position of reopening discussions of the German question with the Soviet Union, Secretary Marshall said:

"We are perfectly ready to enter into negotiations with the Council of Foreign Ministers on the Berlin question, on the German question, if and provided first, the blockade is raised."

In this connection the Secretary was asked whether this willingness on the part of the United States to reopen negotiations permitted or excluded talks with the Foreign Ministers simultaneously with the lifting of the blockade. Secretary Marshall replied: "Yes, it precludes that. The blockade must be lifted before we meet."

Discussion in the Security Council of the Berlin Crisis¹

STATEMENT BY PHILIP C. JESSUP
Deputy U.S. Representative in the Security Council

[Released to the press October 8]

The United States Government has sought by peaceful means to remove the threat to peace created by the Soviet Union, which, while it remains, is the insuperable obstacle to free negotiation. Our very resort to the Security Council is a further use of the same peaceful means and is directed to the same end. The United States will be no party to encouraging or submitting to practices which would make a mockery of the Charter.

Secretary Marshall also declared in his address: "For its part, the United States is prepared to seek in every possible way, in any appropriate forum, a constructive and peaceful settlement of the political controversies which contribute to the present tension and uncertainty." I say expressly that this statement includes continued readiness of the United States to negotiate with the Soviet Government in any appropriate forum regarding any issue outstanding between it and the United States Government. The term "any appropriate forum" includes the Council of Foreign Ministers. But what we are now discussing is this barrier to negotiations—this threat to the peace created by the Soviet blockade of Berlin. The appropriate forum for discussion of the threat to peace is this Security Council. We are here to discuss it.

What constitutes a "threat to peace" as that term is used in article 39? A threat to peace is created when a state uses force or threat of force to secure

compliance with its demands. Acts of the Soviet Government in illegally obstructing by threat of force the access of three Western Powers to Berlin creates a threat to peace.

The Soviet Union may pretend it cannot understand why it can be charged with threat or use of force against the United States, France, and the United Kingdom when a primary consequence of its action falls directly and intentionally upon the civilian population of Berlin for whose well-being the three Western occupying powers are responsible. That an effort should be made to deprive two and one-half million men, women, and children of medicines, food, clothing, and fuel, to subject them to cold and starvation and disease, may seem to some a small matter. But to us, the welfare of people committed to our charge is a matter of serious concern. We cannot be callous to the suffering of millions of people in any country, much less when we have responsibility for them as an occupying power.

Today the daily living requirements of these 2,500,000 people, two thirds of the population of Berlin, are being met by the combined efforts of the British and American air forces; 250 planes are supplying the western sectors of Berlin with food, coal, and other essentials. Efforts of thousands of American and British and French men and women have been devoted to the organization and establishment of an air bridge, which, in one day, has delivered almost 7,000 tons of supplies to the land-blocked city. The Security Council, as well as the population of Berlin, may well regard the air-lift as a symbol of peace and of methods of a pacific settlement.

But the fact that the courage and ingenuity of men and women who are participating in this stu-

¹ Excerpts from Mr. Jessup's statement made before the Security Council on Oct. 6, 1948. In this statement Mr. Jessup reviewed the development of the Berlin blockade and the breakdown of the discussions at Moscow between representatives of the Western Powers and the Soviet Union. For this material see *The Berlin Crisis, A Report of the Moscow Discussions*, 1948, Department of State publication 3298.

penduous achievement saved the people in Berlin from much of the suffering which the Soviet Government sought to enforce upon them does not mean the threat to peace is removed. The Members of the Council will recall that Marshal Sokolovsky, in an obvious attempt to counteract the air-lift, in complete disregard of the directive as interpreted by Premier Stalin himself, insisted upon new restrictions upon air transportation between Berlin and the Western zones of Germany. The Soviet Government, in a note of September 25, instead of repudiating Marshal Sokolovsky's action, added new demands that air communications should be subjected to the control of the Soviet command.

Origin of Rights

The United States is in Berlin as of right. The rights of the United States as a joint occupying power in Berlin derive from the total defeat and unconditional surrender of Germany. Article I of protocol on zones of occupation in Germany agreed to by the Soviet Union in the European Advisory Commission on November 14, 1944, provides:

"I. Germany, within frontiers as were on December 31, 1937, will, for purposes of occupation, be divided into three zones, one of which will be allotted to each of three powers, and a special Berlin area, which will be under joint occupation by the three powers."

This agreement (later amended to include France) established the area of Berlin as an international enclave to be jointly occupied and administered by four powers.

The representatives of commanders-in-chief adopted, on July 7, 1945, a resolution establishing the Allied Kommandatura for administration of Berlin. The Kommandatura was to be under the direction of the chief military commandant, which post was to be held in rotation by each of four military commanders. The chief military commandant in consultation with the other commanders was to exercise administration of all Berlin sectors when a question of principle and problems common to all sectors arose. In order to exercise supervision of Berlin local government, one or two representatives from each Allied command were to be attached to each section of the local German government.

Implicit in these agreements is the right of each of the four powers to free access to and egress from the greater Berlin area. Not only has this right been clearly recognized and confirmed by the Soviet Union by practice and usage for almost three years, but it has been the subject of written agreements between the respective governments as well as by their representatives in the Allied Control Council for Germany. Rights of free access were

THE UNITED NATIONS AND SPECIALIZED AGENCIES

directly specified in the message from President Truman to Premier Stalin on June 14, 1945, which agreed to withdraw back to the prescribed zonal boundaries those forces which in the course of the war had overrun part of the territory which later became the Soviet zone of occupation, provided satisfactory arrangements for free access by rail, road, and air to the forces in Berlin could be entered into between the military commanders. I quote one sentence from the Truman message:

"... As to Germany, I am ready to have instructions issued to all American troops to begin withdrawal into their own zone on June 21 in accordance with arrangements between the respective commanders, including in these arrangements simultaneous movement of the national garrisons into greater Berlin and provision of free access by air, road and rail from Frankfurt and Bremen to Berlin for United States forces."

Premier Stalin replied on June 16, 1945, accepting this plan excepting for a change in date. Premier Stalin gave assurances that all necessary measures would be taken in accordance with the plan. Correspondence in a similar sense took place between Premier Stalin and Prime Minister Churchill. Premier Stalin thus agreed that the Western occupying powers should have "free access by air, road and rail" to Berlin. Even in the Russian language, "free access" does not mean "blockade".

The four zone commanders met in Berlin on June 29, 1945, to put the agreement of the Chiefs of State into force. At this meeting it was agreed that the Western Powers would withdraw their forces from the Soviet zone and would have the use of the Helmstedt-Berlin *Autobahn* and rail routes without restriction and subject only to the normal traffic regulations of the Soviet zone. In reply to a question from General Clay, Marshal Zhukov, the Soviet commander, stated: "It will be necessary for vehicles to be governed by Russian road signs, military police, document checking, but no inspection of cargo—the Soviets are not interested in what is being hauled, how much or how many trucks are moving." In accordance with this understanding, the United States, whose armed forces had penetrated deep into lands of Saxony and Thuringia, in the Soviet zone, withdrew its forces to its zone. Simultaneously, United States garrisoning forces took up their position in Berlin.

The right of the United States to be in Berlin thus stems from the same source as the right of the Soviet Union. Rights of occupying powers are co-equal as to freedom of access, occupation, and administration of the area.

Confirmation by Agreements and Usage

It clearly results from these undertakings that Berlin is not a part of the Soviet zone of occupa-

tion, but is, by express agreement, an international enclave. Commitments entered into in good faith by the commanders of the four zones of occupation, agreements reached by the Allied Control Authority in Germany, as well as uncontested usage, have recognized basic rights of the United States in the joint administration of Berlin and rights of freedom of access thereto for the purpose of fulfilling United States obligations and responsibilities as an occupying power.

Since July 7, 1945, it agreed that supplies necessary for the welfare of the people of Berlin were a joint responsibility of the four powers. There have been a series of quadripartite agreements entered into between July 1945 and April 1948 for the joint provision of food, solid fuels and electric power, and medical supplies.

All agreements, of course, carried with them the right of access to permit the Western occupying powers to bring their share of supplies to Berlin.

Pursuant to agreement in the Control Council establishing train paths, military trains regularly traversed the Helmstedt-Berlin train route. There was no inspection by Soviet authorities and no Soviet permit was required for outgoing shipments from the Berlin area. Proof of identity through proper documentation was sufficient to comply with traffic regulations, which during this period were reasonable and were fully accepted by the Western Powers. Similarly, personnel of the United States Military Forces and other United States officials traveled freely by train or motorcar over the rail and *Autobahn* routes from Berlin to Helmstedt without Soviet visa.

Air corridors were established between the Western zones and Berlin with unrestricted flight, subject, of course, to safety regulations. Three such corridors were established in November 1945 by Four Power agreement in the Allied Control Council to augment the single provisional corridor agreed to in the meeting of the Allied Commanders-in-Chief on July 7, 1945. In December 1945 uniform safety regulations were adopted in these corridors, under which aircraft have operated continuously since that date. These regulations were reaffirmed by publication on October 22, 1946, of the agreed second revision of these flight rules. In practice, military and civilian airline aircraft of the three Western Powers used the corridors for unlimited flight without notification to Soviet authorities.

Bilateral agreements were made by British and Soviet authorities concerning barge traffic between their two zones. Quadripartite arrangements concerning postal traffic, telecommunications and movement of Germans between the Western zones and Berlin were concurred in, and carried out satisfactorily, prior to institution by the Soviet Union of blockade measures.

There can thus be no question of the legal basis

for United States rights to free access to Berlin or of recognition of these rights by the Soviet Union.

Regulation of Traffic

The United States maintains its basic juridical rights of free access to Berlin. These are clearly established and recognized by the Soviet Government. As every reasonable and practical person knows, rail, road, barge, and air traffic must be subject to some degree of regulation. Let me repeat the statement of Marshal Zhukov on June 29, 1945:

"It will be necessary for vehicles to be governed by Russian road signs, military police, and documents checking, but no inspection of cargo—Soviets not interested in what is being hauled, how much or how many trucks are moving."

The United States agreed to this position and we still agree. We do not assert freedom of access means absence of reasonable regulations, but precaution cannot be distorted to mean imposition of restrictions to the point where the principle of free access is completely strangled. The United States will not permit the Soviet Government to use the agreed principle of reasonable regulation as a measure to cloak the threat of force designed to force the United States to abandon Berlin to single domination and rule by the Soviet Union.

Development of the Berlin Blockade

When the three Western Powers on July 3 formally protested in Moscow against the blockade, the Soviet Government's reply of July 14 contained no reference to the previous Soviet explanation that the blockade measures were due to "technical difficulties". Rather it openly admitted the blockade was in effect retaliation against actions of the Western Powers in their own occupation zones of Germany, emphasizing in this connection the currency reform of the Western zones. Now, for the first time, and in direct conflict with all agreements to the contrary, the Soviet Government put forward the claim that Berlin "is a part of" the Soviet zone of Germany. The Soviet note ended with the contention that Berlin problems were inseparably linked with questions involving the whole of Germany and negotiations would be effective only if they encompassed the entire German situation. Moreover, the Soviet Government refused to permit the restoration of lines of communication between the Western zones and Berlin, which restoration was declared by the United States Government to be a prerequisite for any negotiations.

Finally, the hollowness of various Soviet pretexts for imposition of the Berlin blockade was completely exposed at the recent meetings of the four military governors when, in total disregard of the directive agreed upon in Moscow, the Soviets demanded measures of permanent control of traf-

fic between Berlin and the West, measures to be continued even after Western zone currency would have been removed from Berlin. The Soviet note of September 22 reinforced this demand and thus gave final proof, if any were needed, that Soviet blockade measures are designed to force the three Western Powers to abandon under duress their rightful position in Berlin.

Soviet Attacks on Berlin Municipal Institutions

In addition to the blockade, the Soviet Government, to the same end, resorted to other measures of duress against the Western Powers by attempting to undermine and sabotage the lawfully constituted city government of Berlin. This government had been formed in accordance with the temporary constitution of Berlin—an instrument approved by the Allied Control Authority.

United States licensed German publications were repeatedly confiscated by German Soviet sector police in direct violation of Control Council directive number 55. The Soviet licensed press in Berlin, which of course prints only items approved by the Soviet authorities, became more strident in attacks on the Western Powers and the elected city government of Berlin.

Perhaps most serious, Soviet authorities condoned and encouraged public disorders in the Soviet sector of Berlin.

Discussions With Soviet Government

Indeed, since the very beginning of the Soviet imposition of the illegal blockade, the United States Government has made direct, repeated, and persistent efforts to adjust with the Soviet Government the dangerous situation in Berlin.

These efforts were made to obtain the lifting of the blockade which has created a threat to peace which the Security Council is now considering.

To achieve this objective, the United States Government was prepared, and is still prepared, to work out in good faith practical arrangements which would permit the introduction of the German mark of the Soviet zone, under appropriate Four Power control, as the single currency for Berlin. However, it was not and is not willing to yield its rights and obligations regarding Berlin or Germany under coercive pressure of the Soviet blockade. It was made clear that the removal of this coercive pressure would open the door to negotiations on other outstanding issues regarding Berlin. This was repeatedly expressed, was and still is the policy of the United States Government.

The course of the negotiations in Berlin was characterized by the failure of the Soviet military governor to abide by the understandings reached in Moscow.

October 17, 1948

He proposed new restrictions on transport by demanding that air traffic be limited to supplying the needs of the occupation forces in Berlin. No such restriction heretofore existed or was ever agreed to. The Directive to the four military governors called for the removal of all restrictions, not the imposition of new ones.

On September 22, the three Western Governments sent identical notes to the Soviet Government in which they set forth their final position on three issues of principle. In view of the manifest unwillingness of the Soviet authorities to carry out the agreement reached in Moscow, the three Western Governments also called upon the Soviet Government to lift the blockade and to specify the date on which that would be done. The illegal blockade had been then imposed for over three months. Further talk was obviously pointless. Action by the Soviet Union to cease its attempt to induce compliance by duress was essential.

The Soviet Government made its unsatisfactory reply on September 25. It went even further than Marshal Sokolovsky in demanding control by the Soviet military command over air traffic between Berlin and the West.

Role of the Security Council

The salient feature of the case before the Security Council is that the Soviet blockade is still maintained and thus continues in existence a threat to the peace which it created.

That is the reason why this case has been brought before the Council as a threat to peace within the meaning of chapter VII of the Charter. Considering the circumstances which confront us it would have been disingenuous to call the blockade and its actual, as well as its potential, consequences by any other name.

However, the fact that this matter comes before the Council under chapter VII of the Charter does not mean the Council is precluded from using any of the machinery of pacific settlement suggested in any part of the Charter. In this case, as in all cases that come before it, the Security Council has the greatest flexibility of action in order to carry out the primary responsibility conferred upon it for maintenance of peace.

Mr. President, we do not bring this case to the Security Council with any cut-and-dried formula for its solution. It is our hope the Security Council can assist in removing the threat to peace. Nothing which has happened has changed our position on that point. The moment that the blockade is lifted, the United States is ready to have an immediate meeting of the Council of Foreign Ministers to discuss with the Soviet Union any questions relating to Germany.

First Congress of the International Theatre Institute

BY ROSAMOND GILDER

The International Theatre Institute came into official existence on July 1, 1948. This important event in world theater was the outcome of more than two years' work on the part of a large number of theater workers in more than twenty countries. Encouraged and assisted by the United Nations Educational, Scientific and Cultural Organization (UNESCO), theater experts from Europe, Asia, the United Kingdom, and North and South America had met at Paris, France, in the summer of 1947 and had laid the foundation of a structure which is planned as a permanent world-wide autonomous organization serving, sustaining, and developing the theater in every country of the globe.

The concept has its basis in the conviction that the artists of the world speak a common language and can serve as valuable agents in obtaining mutual understanding and good will among nations. As early as November 1946, the creation of a permanent International Institute was envisaged by UNESCO's committees. The project had been carried to completion by UNESCO, not only by the calling of the experts' meeting in 1947 and the Congress in 1948, but by the untiring efforts of the theater section of UNESCO's Paris secretariat where there has been a permanent focus of continuing activity through the past two years. Today, as a result of UNESCO's efforts, the theaters of the world have a well-organized international body which every country capable of setting up a national center within its own borders is invited to join. It has a program of activities, immediate and long-range, an active executive committee and, by January 1, 1949, it will have a home of its own. UNESCO, having fostered this new international body, will, it is confidently expected, continue to assist it for the next few years. In the meanwhile, the Institute will build up its own resources, increase its membership, and become a force in "promoting international exchange in the knowledge and practice of the arts", as its constitution succinctly states.

Twenty countries were represented at the First International Theatre Congress of the International Theatre Institute which was held at Praha, Czechoslovakia, from June 28 to July 3, 1948. These were Australia, Austria, Belgium, Canada, China, Czechoslovakia, Denmark, Egypt, Finland, France, Hungary, the Netherlands, Norway, Poland, Sweden, Switzerland, the Union of South Africa, the United Kingdom, the United States, and Yugoslavia. After a formal opening session

at which the host country was represented by the Minister of Foreign Affairs and the Minister of Education, and speeches were made by Julian Huxley, Director General of UNESCO, Jindrich Honzl, director of the National Theatre and head of the Czechoslovak Delegation, and J. B. Priestley, the British playwright who had been chairman of the interim committee, the delegates went into plenary session and elected Mr. Priestley president of the Congress.

Five days were none too long for the three major subcommittees into which the Congress resolved itself to accomplish their tasks. The Committee on Organization, headed by Emil Oprecht of Switzerland, guided the draft charter through its last phases and untangled the various organizational snarls. The Committee on the Exchange of Companies, under the chairmanship of Dr. Arnold Szyfman of Poland, worked out ways and means to smooth the path of theater groups planning international tours. The Committee on Information, presided over by Dr. Yui Shang-Yuen of China and Mlle. Jeanne Laurent of the French Ministry of Education, made a host of decisions leading to the immediate establishment of an information bulletin and other publications.

When the Congress met in final plenary session July 1, the following countries, represented by delegates of fully established national centers, voted the International Theatre Institute into being: Austria, Belgium, China, Czechoslovakia, France, Poland, Switzerland, and the United Kingdom. An Executive Committee was elected of which Arman Salacrou, the French playwright, is president, and the other members are Erich Nikowitz, Austrian actor and director; Maurice Huisman, director of the Belgium National Theatre; S. I. Hsuing, Chinese author and playwright; Jindrich Honzl, director of the National Theatre, Praha; Richard Ordynski, Polish director-designer; Llewellyn Rees, drama director of the Arts Council of Great Britain; and Emil Oprecht, president of the Association of Swiss Theatre Directors. The Executive Committee at its first meeting decided on Paris as the temporary headquarters of the International Theatre Institute and named Maurice Kurtz as secretary general, the appointment to take effect when the Institute moves to its own quarters in January 1949. It also appointed an Editorial Committee of four—Rosamond Gilder, René Hainaux, Emil Oprecht, and Kenneth Rae—to work out details of the informa-

tion bulletin which will appear this year and to plan for future publications.

The United States was represented at the Praha Congress by an observer delegation of three. Two of the delegates, Rosamond Gilder and Warren Caro, were nominated by the Department of State while Clarence Derwent, president of Actors' Equity, represented the American National Theatre and Academy. The American delegates were active on all the committees. Two of them, Miss Gilder and Mr. Derwent, had attended the meeting of experts at Paris in 1947 and had taken part in the formulation of the program and in the drafting of the charter. The United Kingdom sent a large delegation representing its newly founded National Centre. Like the national centers of France, Belgium, and other countries, the British Centre was officially organized by the Ministry of Education and is supported and financed by the British Council and the Arts Council, both of which operate under government subsidies. It has enlisted the cooperation of such nongovernmental agencies as the British Equity and the League of British Dramatists and has set up headquarters in the office of the Joint Council of the National Theatre and the Old Vic. The French Centre also has the official and financial backing of the Ministry of Education and the Ministry of Foreign Affairs and has likewise secured the cooperation of independent artists' groups and unions. The Czechoslovak Centre shows a slightly different organizational pattern in that it is entirely under the direction of the government Ministries of Education and Information.

The United States Center, which has already been established under the joint chairmanship of Clarence Derwent, president of Actors' Equity, and Moss Hart, president of the Dramatists' Guild, will necessarily have a different form. It must be supported by private funds as no government agency exists to give it backing. However, the Center does have the backing of the American National Theatre and Academy which holds a charter from the Congress of the United States. The United States Center of the International Theatre Institute is, as it were, the foreign-affairs branch of the American National Theatre and Academy. It has a separate committee of its own representing all the theater unions and important national groups, professional and nonprofessional. At its offices at 63 West 44th Street in New York

City, it has already undertaken the duties indicated in the International Theatre Institute charter: it has published a mimeographed *International News Bulletin*, acted as friend and adviser to traveling theater students and workers, established contact with the International Office at Paris and with other national centers in Europe and elsewhere. In addition, it serves as the advisory panel on dramatic arts for the United States National Commission of UNESCO. As soon as the delegates to the First Congress can report to the Committee of the United States Center and to the American National Theatre and Academy and can secure the funds necessary for the United States share of the International Office of the Institute, the American theater should take its place as an active and forceful member of this world movement.

Of what value is the International Theatre Institute to the theater as a whole? This is a practical question that J. B. Priestley, the most practical of idealists, can best answer. In his preface to the International Theatre Institute report, he says that the International Theatre Institute—"will collect and then distribute a great deal of valuable information: about new plays and productions in all countries concerned; about the stage dimensions, technical resources, seating capacities of the chief playhouses in all these countries; about copyright laws, censorship regulations, methods of payment and employment in its member countries. Again it will try to remove the various obstacles that prevent the successful exchange of theatrical companies, to improve transport arrangements for companies touring abroad, to break through the walls of currency regulations and customs dues.

"Then, when the Institute is firmly established and has linked the theatre folk of all nations, it can proceed to organize festivals and exhibitions, produce a journal in several languages, create theatrical scholarships and fellowships, advise the newer countries on the organization of good theatres, and do everything possible (without acting as financial manager) to assist distinguished theatrical companies to cross frontiers, and, if necessary, tour the wide world itself. Finally, the annual Congress of the Institute will enable theatrical workers in all countries to meet and exchange ideas and plan joint action."

In all of this it is quite evident that the American theater has much both to give and to receive.

The United States in the United Nations

Atomic Energy

The atomic issue was referred last week to an 11-nation subcommittee of Committee 1 with instructions to study and report on all resolutions on the question.¹ On October 12 the subcommittee, the Soviet Union and the Ukraine dissenting, adopted and sent to the full Committee an amended Canadian resolution accepting as the basis for future work the control plan of the U. N. Atomic Commission but leaving further detailed work in suspension until the Soviet opposition is modified.

On October 15 Mr. Osborn during a meeting of the disarmament subcommittee of Committee 1 called upon the Soviet Delegation to show by answering four specific questions whether or not its proposal for major power disarmament is sincere. He asked Jacob Malik, the Soviet Delegate, the following questions:

First, whether Soviet leaders would disavow expansionism by disbanding their Communist fifth columns in countries all over the world.

Second, whether the U.S.S.R. would disavow the use of the veto in implementing inspection and control of armaments by an international agency.

Third, whether the iron curtain would be withdrawn so that the world could know what is going on in the Soviet Union and thus be relieved of fears growing out of Soviet secretiveness.

Finally, "Is there not a certain effrontery in the Soviet Union presenting to this body such a resolution in the name of a dictatorship which Premier Stalin himself has described as one based on violence and not on law?"

The Berlin Situation

On October 15 the Security Council resumed its consideration of the Berlin question, which the Western powers charge is threatening world peace and security.

Acting Council President Juan A. Bramuglia of Argentina, on behalf of the six neutral nations of the Council that are attempting to compose the differences between the Western powers and the Soviet Union, asked the four powers concerned for additional information regarding the Berlin blockade.

"Firstly", he said, "we request the representatives of the United States, the United Kingdom, France, and the U.S.S.R. to explain the initial imposition of restrictions upon communications, transport, or commerce between Western Germany and the Soviet zones, the details of and the present

status of the restrictions. Secondly, we request them to kindly explain the agreement involved in the instructions given to the military governors of the four powers in Berlin, and to give the detailed reasons that prevented their implementation."

The three Western powers promised to submit careful and comprehensive answers. Mr. Vyshinsky refused to cooperate.

Support of ERP

The Norwegian and Netherlands Delegates to the United Nations on October 13 defended the European Recovery Program against Soviet attacks. Speaking before the Economic and Financial Committee, Finn Moe, of Norway, credited the program with having staved off a European depression and started Europe on its way to recovery.

C. L. Patijn, of the Netherlands, said that the program "has given us firm ground under our feet for the first time in Europe's history." He also noted that the Polish Delegate had spoken of economic degradation instead of the promised prosperity. "The truth", he said, "is that the production of the 16 countries is showing a marked increase both in agriculture and industry." Dr. Patijn stated that the Soviet Union should "hear how the vast masses of our workers speak with deep understanding of the Marshall Plan objectives and awareness of leaders that without it the standard of living of the workers would decline 25 percent."

Mr. Moe said that it was interesting that the critics of the Recovery Program had no other solution for Europe's economic ills.

On October 15 the French and British Delegates, Paul Ramadier and W. Glenville Hall, defended the European Recovery Program against Soviet charges. Mr. Ramadier said that ERP is not "a form of economic slavery but an invitation to knit the ties that bind together all of Europe."

Genocide

The United States on October 14 called for the inclusion of political groups among those to be protected under the proposed United Nations convention on genocide. It asked the Soviet Delegate for a "complete and frank explanation" for the Soviet reversal in the matter.

Ernest Gross, of the U. S. Delegation, told the Legal Committee that the United States sees no valid reasons for disregarding the Assembly's resolution of November 11, 1946, and that "provision for protecting political groups from extermination should be retained in the convention."

The Legal Committee on October 15 voted 20 to 13 to include protection for political groups in the draft convention.

¹ Including those of Canada, the Soviet Union, Syria, and Australia. See U. N. doc. A/C.1/317, Oct. 7, 1948.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Second Meeting of Wool Study Group

From October 4 to October 6, representatives from Argentina, Australia, Belgium, Canada, Cuba, Czechoslovakia, Dominican Republic, Egypt, Eire, Finland, France, Iceland, India, Italy, Netherlands, New Zealand, Pakistan, Poland, Switzerland, Turkey, Union of South Africa, United States, United Kingdom, Yugoslavia, together with observers from the United Nations, the Food and Agriculture Organization, and the United Kingdom Dominion Wool Disposals, Limited, have participated in the second meeting of the Wool Study Group.

The study group have reviewed changes which have taken place in the world apparel wool situation, since the first meeting in April 1947 which continued a survey begun by the International Wool Conference in November 1946. They have heard statements from different delegations about the position in their respective countries, with special reference to any problems arising therein and to any matters of international interest.

The group have noted with satisfaction that estimated world stocks of apparel wool at June 30, 1949 (about 2,750 million pounds greasy weight), will be no more than two thirds of June 1947; and that about 75 percent of these stocks will be held commercially, as compared with 55 percent in June 1947. Stocks of wool in governmental ownership at June 30, 1949, are expected to be no more than 660 million pounds or about 22 percent of the current annual rate of production. The group estimated the world stocks of apparel wool June 30, 1948, at 3,551 million pounds greasy weight, of which 1,172 million pounds are held by governments and 2,379 held commercially. Stocks held by joint organization have dropped from about 1,350 million pounds at June 30, 1947, to 1,029 million pounds at June 30, 1948. Stocks

held by the Commodity Credit Corporation have dropped from 541 million pounds at October 1, 1946, to less than 100 million pounds by the end of August 1948.

While the group noted that there will be an estimated excess consumption (3,755 million pounds) over production (2,965 million pounds) in 1948-49 of 27 percent (790 million pounds), it was remarked that current excess visible consumption over production was partly due to filling up pipelines, especially in Europe, which might be regarded as practically completed now. Several producing countries indicated that their production had declined, but the group were reassured by indications from others (and from Australia in particular) of probable upward trend of production in future. It was estimated that the total world wool production in 1948-49 was likely to be between 2 and 3 percent better than in the preceding year, while numbers of sheep in Australia, which were 102 million in 1947, were estimated at 104-105 million in 1948.

The group considered there was no immediate problem in the solution of which international governmental action was at present necessary or desirable.

The group also commented on the rise of prices in wool since April 1947 and on the difference between considerable rise in price of fine wools as opposed to the less significant rise in price of lower grades. It was noticed, however, that there was already a tendency to reduce the call on supplies of high grade merino wools by an increase in consumption of lower grades. This is already having effects on prices.

Finally the group agreed to continue to meet from time to time in the present form in order to review the world wool position.

THE CONGRESS

Providing for Membership and Participation by the United States in the World Health Organization. H. Rept. 1999, to accompany H. J. Res. 409, 80th Cong., 2d sess. 10 pp.

World Health Organization. H. Rept. 2197, to accompany S. J. Res. 98, 80th Cong., 2d sess. 5 pp.

Foreign Aid Appropriation Bill, 1949. H. Rept. 2173, to accompany H. R. 6801, 80th Cong., 2d sess. 11 pp.

Making Appropriations for Foreign Aid. H. Rept. 2440, to accompany H. R. 6801, 80th Cong., 2d sess. 10 pp.

Fuel Investigation. Current Petroleum Outlook. Progress Report of the Committee on Interstate and Foreign Commerce. H. Rept. 2460, 80th Cong., 2d sess. II, 60 pp.

Report on Audit of Export-Import Bank of Washington. Letter from Comptroller General of the United States transmitting a report on the audit of Export-Import Bank

of Washington for the fiscal year ended June 30, 1947. H. Doc. 641, 80th Cong., 2d sess. v, 19 pp., with 5 schedules.

Twelfth Report to Congress on Operations of UNRRA. Message from the President of the United States transmitting the Twelfth Quarterly Report of Expenditures and Operations Under the United Nations Relief and Rehabilitation Administration covering the period from Apr. 1, 1947, to June 30, 1947. H. Doc. 686, 80th Cong., 2d sess. III, 56 pp.

Urgent Needs of the American People. Address of the President of the United States delivered before a joint session of the Senate and the House of Representatives, recommending legislation to check inflation and the rising cost of living and to meet the acute housing shortage. H. Doc. 734, 80th Cong., 2d sess. 6 pp. [July 27, 1948.]

THE RECORD OF THE WEEK

Asia Today¹

BY W. WALTON BUTTERWORTH

Director, Office of Far Eastern Affairs

Asia today presents a radically different picture from that which we knew only a few years ago. In addition to the economic dislocations and damage brought about by the war in the Pacific, that war unleashed strong forces, the eventual workings of which it is extremely difficult to foresee. The most readily discernible force at work today in Asia is nationalism. Its expression has been marked by such milestones as the ending of extra-territoriality in China, the establishment of independence for the Philippines and Burma and, within the British Commonwealth, for India and Pakistan and Ceylon, and the Linggadjati and Renville agreements for the establishment of a United States of Indonesia. The peoples of Asia are moving, sometimes rapidly, sometimes slowly, towards a position of full and mature responsibility for their own affairs. The political emergence of the countries of Asia has and will continue to make them increasingly important to the rest of the world. The picture is complicated, however, by other forces which have arisen in the wake of nationalism, taking advantage of the political cross currents and vacuums which often accompany its initial expression. These forces, outstanding among which is the Communist movement, often identify themselves with nationalism or cloak themselves by exploiting, sometimes with great effectiveness, the deep-seated economic and political maladjustments of Asia.

The working of these forces make for a highly fluid and largely unpredictable situation in Asia today. However, there are several important factors in the present situation that should be borne in mind in any consideration of present and future economic relations between Asia and the rest of the world. My references to these basic factors will necessarily be greatly oversimplified.

The first factor, to which I have already drawn attention, is that political unrest is a natural consequence of rapid transition from colonial dependency, or partial domination, to independence. This political unrest results either from the sharp

conflicts of interest between colonial powers and nationalist forces, or from the exploitation of cultural differences or economic ills for purposes of aggrandizement. Such exploitation has within it the seeds of political and economic calamity if the new nationalist government does not possess sufficient vitality, popular support, and administrative efficiency to ride out the storm. Organized exploitation of political unrest by Communism is the greatest single menace in the Asiatic situation. Just prior to the recent Communist-instigated uprisings in Java, the Department issued a statement relating to southeast Asia² which read, in part, as follows:

"To win support and allies in their drive for power, Communist leaders have consistently pretended to champion the cause of local nationalists and have attempted to identify communism with nationalism in the minds of the people of the area. This scheme worked well, at least until the Cominform's denunciation of the Yugoslav Communist leaders as being, among other things, guilty of nationalism. There is some evidence that sincere nationalist leaders in southeast Asia, originally deceived by this device, have now awakened to the fact that, in Communist-controlled states outside the Soviet Union, the nationalism to which they aspire is regarded as a high crime and grounds for ruthless interference in the internal affairs of such states by international Communist organizations."

A second "factor" is a logical corollary of the first. It is simply that economic recovery and development in most Asiatic countries has been and may for some time be impeded by continuing political unrest and conflict. The serious balance-of-payments deficits which confront many Asiatic countries could be improved somewhat by economic remedies, but prewar levels of economic activity cannot be approached until the more immediate political conflicts which are stifling production and trade are resolved. In Indonesia, for example, there is little incentive for the investment of capital in productive enterprise or for the release of inventories for consumption or export until it is evident that the principal factors of production may be estimated with a reasonable degree of accuracy. This cannot be expected until a

¹ Address delivered at the Far East and India Trade Conference of the Far East-America Council of Commerce and Industry, Inc., in New York, N. Y., on Oct. 6, 1948, and released to the press on October 8, 1948.

² BULLETIN of Sept. 26, 1948, p. 410.

viable arrangement between the nationalist forces of Indonesia and the Netherlands has been achieved.

My third observation relates more to the long-range future. The countries of Asia desire substantial expansion of their industrial, transportation, power, and agricultural facilities. There are obvious advantages to both Asia and the rest of the world in a sound development of Asia's human and natural resources, and in a significantly increased standard of living for Asiatic peoples. However, in viewing the possibilities for such progress, we should not ignore a basic economic and social characteristic of important areas of Asia. This characteristic is Asia's serious overpopulation in relation to its existing resources and productivity and the natural tendency of the population, with a high birth rate, to increase whenever economic gains permit it to do so. If this tendency continues, there will be great difficulty for many Asiatic countries in producing more than is needed for current consumption and the accumulation of domestic capital will be, at best, a slow process. Since foreign capital usually can be put to use only if supplemented by a substantial quantity of domestic capital, it is thus apparent that there are certain limitations on the extent to which foreign capital can be expected to assist effectively in the economic development of Asiatic countries. One may conclude that, in so far as political instability in Asia results from low standards of living, such instability will not be easily and quickly overcome by the progress of industrialization. Perhaps it can be kept within bounds over the long run if the governments of Asiatic countries place at least as much emphasis on social and political reform in the interest of the agricultural population as they do on technical progress.

The importance of Asia today is not minimized by a frank recognition of the difficulties inherent in the situation. Indeed, the first step in meeting these difficulties is in understanding them. While it is true that we cannot expect business as usual in Asia over the next few, predictable years, there is hope, I feel, that in the long run the basic economic needs of the various Asiatic countries will increasingly assert themselves, and that this factor may result in the restoration and expansion of trading relations among the countries of Asia and between Asia and the rest of the world.

Because of the general absence of large-scale industrial development in Asia, wartime damage to capital equipment was minor relative to that in Europe. Consequently, economic recovery to prewar levels of activity could be attained rapidly by most Asiatic countries largely through their own efforts and with relatively little capital expenditure if present political obstacles were overcome and if the rest of the world continues to provide an effective demand for Asia's products.

Importance must be attached, of course, to the revival of such natural trade relations as exist among Asiatic countries and to the possibilities for a gradual expansion of this trade. The major long-run economic task of Asia, however, is the new development of its agricultural and industrial resources at a rate consistent with the availability of domestic and foreign capital and with the level of technical and administrative skills in the area.

In this connection, the position of the United States as the leading exporting and creditor nation of the world should lead to increasingly significant economic relations between the United States and Asiatic countries. American commerce and industry will, of course, continue to have an active interest in Asia as a source of supply and as a market. But the growing importance of economic recovery and of the development of agricultural and industrial resources of Asiatic countries will confront the United States with the problem of how its resources can be made available to those countries in the required volume.

As Ambassador Grady explained so lucidly before the Economic Commission for Asia and the Far East in India last June, even if conditions were favorable to large government loans, such loans would fall far short of the magnitude of Asia's capital requirements. Consequently, he pointed out, it is necessary that Asiatic countries maximize the use of private foreign capital. I recommend Ambassador Grady's statement as a persuasive exposition of the importance of direct foreign investment, with particular reference to the important historical role of foreign capital, chiefly British and American, in the industrial development of the United States and Canada without infringement of national sovereignty. I am sure that private American capital is available for investment in Asia, but only if the countries of that area desire it. Such a desire, if it is to be realized, must of course be expressed by the creation of conditions which give prospect of reasonable treatment and return for foreign capital.

The stringent economic conditions under which Asiatic countries must continue their efforts towards recovery and development also make it a vital necessity that trade and investment be conducted with the greatest possible economy. Importers should be free to purchase in the readiest and cheapest market; exports should be pushed in whatever market can offer the best price in terms of real value; investment should be directed into industries which over the long run can compete successfully in the world market without costly subsidy. This is merely a restatement in plain language of certain basic economic principles, essentially those embodied in the draft charter for an International Trade Organization.

The ECA is attempting to give expression to those principles in the administration of its China

program. It has arranged that the "project engineer" for each enterprise scheduled to receive United States aid for replacement or reconstruction goods represent its client in seeking out the best prices and deliveries obtainable in today's world markets. Mr. Stillman of the Eca Mission in China, and his Chinese associates, should be commended for the formulation of this procedure, for it not only should insure the greatest return for Eca funds in China, but also should encourage the reestablishment of multilateral trade.

It would seem self-evident from the foregoing that the economic reconstruction of the countries of Asia can proceed at a significant pace only with the progressive resolution of the political problems besetting the area. Unless these problems be resolved, the requisite stability cannot evolve. The Department of State, without undertaking the role of a political Atlas for all the world, has tried and is trying to make its full contribution to the resolution of the essential political conflicts throughout Asia. The extent to which those efforts have met with success and failure are, I believe, known to you all. Necessarily related to the political efforts of the United States is the substantial economic assistance which this Government has extended to certain Asiatic countries. Such assistance is being supplemented by allocations for Asia from the funds appropriated by Congress for European economic recovery. The contribution which the United States Government economic aid can make will depend in part on the role of American business in carrying out expeditiously the procurement and distribution aspects of our aid programs. Over the long run, economic recovery and development in Asia will depend in substantial measure upon the contribution which American industry and finance can make as political conditions permit. Basically, however, United States assistance, both public and private, can, at best, be small in relation to the effort which must be made by the governments and peoples of the countries of Asia to help themselves if they are to attain the success that all of us wish for them.

Information on Improper Treatment of Americans Detained in Hungary

[Released to the press October 7]

Paul Ruedemann and George Bannantine, American officials of MAORT whose release from custody by the Hungarian authorities was the subject of an announcement by the Department of State on September 27, 1948,¹ have now returned to this country. Supplementary information, which they have already made known to the press, is available concerning the circumstances of their recent detention.

¹ BULLETIN of Oct. 10, 1948, p. 469.

With regard to the so-called "confessions" which have been attributed to them by the Hungarian authorities, Mr. Ruedemann and Mr. Bannantine have affirmed that these statements were, in fact, prepared by the Hungarian police, that the contents of the documents are wholly false and that they copied and signed these "confessions" only under duress. The two men were placed separately in solitary confinement in underground cells for the first four days and were subjected to long periods of questioning at all hours of the day and night. On various occasions they were required to stand with their faces against the wall and arms upraised until they collapsed. During this time, they were permitted very little food and sleep.

The arbitrary detention of these American citizens, the unfounded allegations made against them, and the improper treatment which they received while in custody are characteristic of the methods employed by police states, where the rights and dignity of the individual are, in practice, ignored.

Military Mission Agreement With Argentina

[Released to the press October 6]

There was signed on October 6, 1948, by Robert A. Lovett, Acting Secretary of State, and Dr. Jerónimo Remorino, Argentine Ambassador to the United States, an agreement providing for the detail of officers and enlisted men of the United States Army as an advisory mission to serve in Argentina. The agreement is to continue in force for four years from the date of signature, but may be extended beyond that period at the request of the Government of Argentina.

The provisions of the agreement are similar to those contained in numerous other agreements between the United States and certain other American republics providing for the detail of officers and enlisted men of the United States Army, Navy, Air Force, or Marine Corps to advise the armed forces of those countries. The provisions relate to the duties, rank, and precedence of the personnel of the mission, the travel accommodations to be provided for the members of the mission and their families, and other related matters.

THE CONGRESS

Aid to China. Message from the President of the United States transmitting a proposed program of aid to China. S. Doc. 120, 80th Cong., 2d sess. 4 pp. [Feb. 18, 1948.]

Summary of Legislation Enacted by the Eightieth Congress, Together With a Preliminary Statement Relative Thereto Pursuant to the Request of the Honorable Kenneth S. Wherry, United States Senator From Nebraska. S. Doc. 198, 80th Cong., 2d sess. iii, 52 pp.

The Spotlight of the International Scene¹

BY CHARLES E. SALTZMAN

Assistant Secretary for Occupied Areas

It was suggested that I talk to you about some of the focal points of trouble in the world today. This affords me a wide range of topics—much too wide for treatment in a single talk. It is an unhappy commentary on human affairs today that the trouble spots appear to be more numerous than those left untroubled. Therefore I shall limit myself primarily to a discussion of the Berlin situation, within the larger context of American foreign policy. What I shall say is merely a review of policy statements and background that have already been made public. The State Department issued the White Paper last week which reviewed in considerable detail the course of events with respect to the Berlin situation, and representatives at the United Nations have made the American position plain in their statements before the General Assembly and the Security Council. What I am saying, therefore, is merely a review and a paraphrase of what has been said.

In appraising our present situation, it may be instructive to recall our foreign policy course during the past few years. The familiar Von Clausewitz dictum was that war is an instrument for carrying out political policy by other than political means. We might define American foreign policy since 1945 as being in a sense the reverse: an effort to achieve by peaceful means the same objectives for which we fought the war. Every nation's foreign policy is necessarily based on its fundamental national interest. We fought Germany and Japan because they threatened our national security—our right to live and govern ourselves as we see fit and to enjoy equal rights with other nations in world trade and other international relationships.

The paramount aim of our foreign policy today is still the preservation of our freedom and independence, our right to develop and order our own affairs without domination or interference from abroad. We can best maintain our independence and integrity, and develop our own resources in the best interest of our people, in a peaceful world community composed of other free and independent nations, each engaged in providing the best life possible for its own people. Therefore, as a means of achieving our number one objective, we

have as a secondary objective the establishment of a world order conducive to peace and constructive human progress.

Thus we find that the United States and most of the other countries of the world today are in fundamental agreement on the essential objects of international relationships. We have a common purpose and a community of interest with the great majority of the other nations. There are minor differences, of course, but these are all susceptible of adjustment by the ordinary processes of negotiation. The supremely important thing is that the United States and the majority of other nations agree on fundamental principles and are cooperating on hundreds of practical details that make up the world's business.

International cooperation in overcoming the suffering and devastation caused by the war and in constructing a healthy, peaceful world order has been the keynote of United States policy. Even while the war was being fought, we took the lead in the international conferences that resulted in the creation of UNRRA, the Food and Agriculture Organization, the World Bank, the International Monetary Fund, and the United Nations itself.

These plans for cooperative action were based on the assumption, or at least the hope, that the wartime collaboration of the Allied nations would continue in the postwar period; that all the Allies had a common, constructive, postwar objective and meant what they said in professing such an objective. The United States and the other major Allied powers made every effort to assure the Soviet Union that we sincerely desired to work in close cooperation with them after the war. We went to great lengths to convince the Russians that our postwar plans did not threaten them in any way and that the postwar settlements would take into account the damage suffered by Russia in the war and its legitimate security requirements.

After the fighting ended, we continued to hope that the Soviet Union would reciprocate the friendship and cooperation which the United States and the other Western nations extended in concrete form and on many occasions. However,

¹ Address delivered at the University of New Hampshire, Durham, N. H., on Oct. 7, 1948, and released to the press on the same date.

THE RECORD OF THE WEEK

it became increasingly evident that Soviet policy was animated by a spirit of rivalry and antagonism and that its primary aim was territorial expansion and the extension of Communism by every possible means, regardless of the rights and wishes of other peoples. It is now perfectly plain that the policy of the Soviet Union is not based on a genuine spirit of reciprocity and cooperation, but on the dogmatic doctrine that conflict between Communism and the rest of the world is inevitable and must continue until one of the two rival systems utterly destroys the other. No matter what the Communists may say on the cynical grounds that the end justifies the means, all their acts confirm the conclusion that they are determined to dominate the world and impose their will on all other peoples.

This is the real and fundamental cause of the differences that now dangerously divide the world and imperil peace. It is not merely a struggle for power between the Soviet Union and the United States, as some even in this country would have us believe. It is a contest of wills between the group of police states directed from the Kremlin and the free peoples of the world, whom the Soviet dictators are trying, for whatever reason, to dominate and control through the instrumentality of international Communism.

The struggle is now world-wide and intense. It is a conflict which the United States does not desire and which we sought by all honorable means to avoid. But the threat exists, and it jeopardizes our national security and the fundamental rights of our people as surely as Hitler did. We have no recourse but to recognize the challenge and to take bold measures to meet it successfully.

The record of the past three years shows that this Government has recognized the threat and has met it with measures that have achieved a considerable degree of success. Various well-known examples can be cited, such as our support of Iran, Greece, Turkey, Korea, Austria and, of course the most outstanding, the Marshall Plan itself. Our Government has consistently sought to further the objectives of the United Nations and to make the Charter the guiding principle in the conduct of international affairs. It has initiated steps to help Germany regain the status of a worthy member of the family of nations, and has stood firm in Berlin, the most critical point of contact between the Soviet Union and the Western powers.

As a result of our efforts, combined with those of the other Western powers, direct Soviet control has extended no further than, roughly, the line reached by the Russian armies in 1945. The free

nations outside the area occupied or dominated by Soviet troops remain free and are substantially stronger today than they were a year ago. The boasted monolithic solidarity of the Communist regimes of Eastern Europe shows unmistakable cracks that bear witness to internal stresses that even the secret police have been unable to eliminate or gloss over.

This, in brief, has been our reaction to the world-wide storm of which Berlin is the vortex. A more detailed appraisal of the situation at Berlin and the events that led to the submission of this question to the United Nations may be instructive.² We have been told by some Americans, for example, that we could settle all our differences with the Soviets if only we would sit down around the conference table and enter into open-minded negotiations. This advice has been reiterated, in spite of earlier disillusioning experiences around the conference table. We have found from experience that it is impossible to deal with the Russians, like other nations, on a *quid pro quo* basis. They take the *quid* and try to keep the *quo*.

This observation is substantiated by the record of our dealings with the Soviet Union in regard to Germany. The plans for the Four Power occupation of Germany were worked out by the major Allied powers before V-E Day and were confirmed and elaborated in the Potsdam agreement of August 2, 1945. The right of free access of American personnel and supplies to Berlin was a requirement of the Four Power agreements and was sanctioned by usage for three years.

One of the key provisions of the Potsdam agreement stipulated that Germany was to be treated as an economic unit. It is obvious that unless it were so treated, no permanent rehabilitation of Germany along sound and peaceful lines would be possible. The Western powers tried repeatedly in the Allied Control Council and in the Council of Foreign Ministers to have this requirement put into effect, but without success. Instead, it is obvious that the economy of the Soviet zone of Germany has been systematically Sovietized and that the Soviet zone has become in effect an economic appendage of the Soviet Union. These unilateral actions of the Soviet Union have kept Germany divided economically and have placed serious obstacles in the way of the recovery of Germany to even a subsistence level, not to mention the handicap this has imposed on European recovery as a whole.

Two years ago, when attempts to accomplish German economic unity had been made in the Control Council for more than a year with no success, the American and British Governments determined to unify as much of Germany as they could in the interest of revising the prostrate economy. So in December 1946 the American and British zones were merged for economic purposes.³

² BULLETIN of Oct. 10, 1948, p. 455.

³ BULLETIN of Dec. 15, 1946, p. 1102.

The United States and Britain also felt that the Germans must be given progressively greater responsibility in political affairs to prepare Germany for eventual return to self-government as a democratic and peaceful nation. Early this year the United States and Britain consulted in London with the French, Belgian, Netherlands, and Luxembourg Governments. Agreement was reached that, in view of the seeming impossibility of reaching Four Power agreement on German unity within any foreseeable future, the western zones of Germany collectively should be allowed to establish their own governmental organization, with which the remainder of Germany could subsequently join.⁴

While the London talks were in progress, the Soviet Delegation left the Allied Control Council and did not return. This wrecked the Four Power administration of Germany. Subsequently, the Soviet Representative withdrew from the Berlin Kommandatura.

The Western powers, having failed in repeated efforts to obtain Soviet agreement on a Four Power plan for currency reform for Germany, introduced a new currency in their zones last June 18. The Soviets then introduced a new currency in their zone and tried to apply it to all of Berlin. The Western powers therefore found it necessary to introduce their own currency in their sectors of Berlin.⁵

As early as last March 30, the Soviet authorities began to apply restrictions to communications and transportation between the Western zones and Berlin. These reached a climax on June 23, when the Soviet authorities halted all rail, highway, and water transportation. This amounted to a blockade of the two and half million Germans and the Allied personnel in the western sectors of Berlin. The pretext first given by the Soviets was "technical difficulties", but they later made it clear that their real motive was retaliation for the decisions of the Western powers at the London conference.

The American and British authorities began to supply their sectors of Berlin by air and have continued to do so with increasing success. The airlift operation has saved the Western sectors of Berlin from being starved into submission and is an achievement in which the American and British peoples can take great pride. But it is an expensive substitute for normal supply methods. The Western powers have used the time bought by the American and British air forces to enter negotiations for lifting the totally unwarranted blockade and permitting a resumption of normal supply by land and water routes.

Efforts of the Military Governors of the Western powers in Berlin to accomplish this proved ineffective and the representatives of the three Western powers in Moscow began a series of

conferences with Foreign Minister Molotov and Generalissimo Stalin in an attempt to effect a settlement.

The Western powers repeatedly stated that they were standing firmly on their rights in Berlin—rights derived from participation in the military defeat and unconditional surrender of Germany and confirmed by formal agreements among the Four Powers. They emphasized that their right to be in Berlin is "unquestionable and absolute," and that "they do not intend to be coerced by any means whatsoever into abandoning this right." They made it clear that they regarded the situation created by the Soviet blockade as extremely serious but capable of settlement.

The record of the negotiations has been made public in the White Paper issued recently by this Government.⁶ Mention shall be made only of the main points. In the meeting with American Ambassador Smith and the British and French Representatives on August 2, Stalin proposed a settlement based on the simultaneous replacement of the Western currency with Soviet currency for all Berlin and the removal of all transport restrictions. He also expressed the insistent wish that the decisions of the London conference on Western Germany not be carried out, but he did not make this a condition for settlement of the Berlin situation. Ambassador Smith made it clear that the Western powers always were willing to discuss with the Soviets any problem concerning Germany, provided we were not doing so under duress, as in the case of the blockade.

When these proposals were submitted to the Western governments, they accepted the Soviet mark as the sole currency for Berlin in principle, with the proviso that its issue and use be subject to Four Power control. They also insisted on Four Power arrangements to cover trade between Berlin and the Western zones. Otherwise the Soviets would have practical control of the economic life of Berlin and might have us at their mercy there.

The Western representatives in Moscow then engaged in protracted negotiations with Molotov on the wording of the draft of a Four Power communiqué on the proposals. Molotov tried to limit the transport restrictions to be removed only to those imposed after June 18. He also tried to reintroduce the question of the London agreement on Western Germany, and to leave the proposed Soviet currency for Berlin and the trade of Berlin under Soviet control. All these conditions were contrary to the previous proposals. The discus-

⁴ BULLETIN of Mar. 21, 1948, p. 380.

⁵ BULLETIN of June 27, 1948, p. 385.

⁶ See *The Berlin Crisis, a Report on the Moscow Discussions*, 1948, Department of State publication 3298.

sions reached an impasse and the Western representatives obtained another meeting with Stalin.

At this meeting, on August 23, the discussion centered on a directive which the four governments would send to their military governors in Berlin for working out the technical details of the principles already agreed upon. On this occasion, Ambassador Smith obtained confirmation from Stalin that the transport restrictions to be lifted included those imposed before as well as after June 18. Stalin also confirmed the understanding of the Western powers that the Soviet currency for Berlin would be controlled and supervised by the Four Powers jointly.

Following another meeting with Molotov on August 27, in which he again tried unsuccessfully to tie the hands of the Western powers with respect to the London decisions, an agreed directive was dispatched to the four military governors in Berlin.

Beginning August 31, the military governors met daily in Berlin during the week given them to complete their task. In the words of the White Paper, "It soon became apparent that Marshal Sokolovsky (the Soviet Military Governor) was not ready to honor the understandings reached in Moscow." He went outside the terms of the agreed directive and sought to impose restrictions on air traffic. Despite Stalin's agreement, Sokolovsky declared he would agree to remove only those transport restrictions imposed after June 18. He also sought to subject the currency and trade of Berlin to exclusive Soviet control. The discussions in Berlin ended in futility and frustration.

The Western powers then delivered an *aide-memoire* to Stalin and Molotov in which they cited the principles agreed upon and the assurances given during the previous discussions in Moscow, and contrasted the divergences from them apparent in Marshal Sokolovsky's position. The three Western Governments asked pointedly if the Soviet Government was prepared to carry out the understandings previously reached and to instruct the Soviet Military Governor to be bound by them. Molotov's reply upheld the position taken by Marshal Sokolovsky and blamed the Western powers for the failure of the Berlin discussions. Another exchange of notes left the matter substantially unchanged.

On September 26 the three Western Governments addressed identical notes to the Soviet Government in which they reviewed the course of the negotiations and concluded that the issue between the Soviet Government and the Western powers was not difficulties in communication or in currency regulation.⁷ "The issue," they declared, "is that the Soviet Government . . . is attempt-

ing by illegal and coercive measures in disregard of its obligations to secure political objectives to which it is not entitled and which it could not achieve by peaceful means."

The Western Governments asserted that the Soviet Government was solely responsible for creating a situation which rendered impossible further recourse to the processes of peaceful settlement specified in article 33 of the United Nations Charter. They further declared that the situation created by the Soviet Union constitutes a threat to international peace and security. The three Governments stated that, while reserving full rights to take any necessary measures to maintain their position in Berlin, they would refer the action of the Soviet Government to the Security Council of the United Nations.

The three Governments on September 29 referred the matter to the United Nations as a threat to the peace within the meaning of chapter 7 of the Charter.⁸ Article 39, the first article of that chapter, states that:

"The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security."

The case presented by the Three Powers lies squarely within the province of the United Nations, because the issue is whether coercion may be used by one Member against others in pursuance of its political objectives in such a way that peace is threatened. The three Western powers, therefore, have submitted to the United Nations a matter that is within its general responsibility. They have laid their full case before the proper forum, the Security Council, for its judgment on the merits. It is well known, of course, that a permanent member of the Security Council can frustrate the Council's action by exercise of the veto power. However, the three Western Governments have made it clear that they will exhaust every possibility and collaborate in every way through United Nations procedures to remove the threat to peace. The present case places on the Soviet Union a clear responsibility for demonstrating before the eyes of the world the extent to which it will honor its obligations under the Charter.

The painstaking effort of the Western powers to find a satisfactory solution of the critical Berlin situation through direct negotiation with the highest authorities of the Soviet Union yielded only bitter disappointment and did not remove the most dangerous threat to world peace that now exists. But this experience, though exasperating and frustrating, confirmed the earnestness of the Western

⁷ BULLETIN of Oct. 3, 1948, p. 423.

⁸ BULLETIN of Oct. 10, 1948, p. 455.

powers in seeking to compose their differences with the Soviet Union by negotiation, as long as there is the least hope of success. It also emphasized their unalterable determination not to compromise on vital principles, nor yield to coercion, nor take the easy but fatal way of appeasement.

The Moscow-Berlin discussions should clarify for the American people the nature of the paramount problem which this country faces in world affairs. The record provides a case history of the enormous difficulties encountered by a peaceful, democratic government in dealing with an aggressive dictatorship-type government with wholly different objectives and a wholly different concept of international relations.

This is a new kind of test for the American people. We have responded to the terrible ordeal of war with a singleness of purpose and a concentration of effort that have always brought victory. But we are engaged now in a struggle that cannot be settled properly by some quick and decisive action. We are exerting our utmost effort to avoid war. We hope to win this conflict this side of war, by patience, calmness, and spiritual fortitude. Perhaps this will not be possible, but we shall proceed on the assumption that it is possible.

The primary lesson of our postwar experience and particularly of the past few months is that there is no short cut to the kind of world we want. We dare not seek the easy way out through wishful thinking, escapism, or appeasement, lest we drop through the trap door to oblivion. There is no magic formula, no man-made miracle, that will quickly free us of the ever present danger inherent in the machinations of a ruthless and unrestrained group who wield great power.

The eyes of the American people should now be fully opened. We have completed a painful process of disillusionment. We know now that the Soviet rulers have no intention of cooperating in establishing peace and order in the world. They have made this abundantly clear by their postwar behavior. The Soviet Union is the only major power that has annexed territory as a result of the war. It has used its special position in eastern Europe to dominate and exploit smaller countries and reduce them to the status of satellites. It has flouted the will of the majority in the United Nations by excessive use of the veto and by boycotting the Interim Committee of the General Assembly and the special Commissions for Korea and the Balkans. It has blocked the majority plan for the international control of atomic energy, without offering a satisfactory substitute. It used its dominant role in the recent Danubian conference to dictate terms that ostensibly assure freedom of navigation but actually give the Soviets absolute

control over all commerce on the lower Danube. It delayed and impeded the peace treaties with the lesser former enemy states and has obstructed the negotiation of peace settlements with Austria, Japan and, most conspicuously, Germany. It rejected an invitation to participate in the European Recovery Program and proclaimed its determination to defeat that great cooperative enterprise.

The Soviet rulers have thus made it plain that their real aim is world domination through the instrumentality of Communism and that they will stoop to any stratagem of coercion, subterfuge, duplicity, or double-dealing that serves their purpose. Their aims and their methods are a direct threat to the national security of the United States. Forewarned by this knowledge, we must be forearmed by an alertness to danger and a readiness to preserve our security and freedom at all cost. If we do so, the prospects of peace will be much greater, since it would then be less likely that any foreign power would attempt to coerce this and other countries by force.

This is the ordeal which we and the other free peoples of our time must endure and survive. It is a reality which we must face and grapple with—from which we cannot turn away. The first requirement is that we clearly recognize the danger and meet it energetically and courageously. We have what it takes to win if we understand our problem.

In view of the implications of the problem, surely nothing is more important today to every American citizen than to know and understand what has happened in the world since the end of World War II and what these events mean to the United States. It is of utmost importance that every citizen understand what has happened and follow as carefully as possible the development of events from now on in order that we and our neighbors may be in a position to judge for ourselves whatever may be necessary in our national interest and to protect our national security. It is supremely important that we understand, support, and, if necessary, urge those actions, both domestic and foreign, which may, as time goes on, best protect our national security and the world's peace.

I wish some assurance could be given that the critical situation in Berlin will be resolved peacefully and soon. Such assurance cannot be given. All that the American Government and the other governments with which it is associated can do is to assure their citizens that they will do their utmost to keep the peace by all means consistent with justice and honor.

I think that is all the American people will ask of them.

Franco-American Negotiations on Motion Pictures

ANNOUNCEMENT OF JOINT DECLARATION

French Foreign Minister Robert Schuman, Minister of Industry and Commerce Robert Lacoste, and Ambassador Jefferson Caffery signed on September 16 in Paris a Joint Declaration of the Government of the United States of America and the Government of the French Republic on Motion Pictures.

The French Government in January 1948 requested negotiations looking toward modification of the Franco-American (Blum-Byrnes) motion-picture understanding of May 28, 1946, in accordance with its provisions.¹ The negotiations not having reached a conclusion satisfactory to both Governments within six months from the request for negotiations, the Blum-Byrnes understanding, as provided therein, has expired. Further nego-

tiations resulted in the Joint Declaration of September 16, 1948, the text of which is attached.

The Department of State considers that the screen quota decided upon by the French Government (five weeks a quarter reserved for the showing of French films) is not inconsistent with the provisions of article IV of the General Agreement on Tariffs and Trade. The Department also considers that the French Government's decision to institute a distribution quota system limiting the number of foreign feature films dubbed into French which will be authorized for distribution annually in the French Union is not inconsistent with the provisions of articles XII and XIII of the general agreement in view of the current French balance-of-payments difficulties.

JOINT DECLARATION OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE FRENCH REPUBLIC ON MOTION PICTURES

The Government of the United States of America and the Government of the French Republic have, at the request of the latter, re-examined certain questions relating to the distribution and exhibition in the French Union of American motion picture films, and, in particular, the Franco-American motion picture understanding of May 28, 1946. During these conversations, the specific problems relating to the distribution and exhibition of American films in the French Union have been discussed in the light of the special conditions facing the French Government resulting from its external financial position and balance of payments and other postwar problems of economic adjustment. These conversations have taken place with due regard for the relevant provisions of the international conventions and agreements to which both Governments are parties.

I. The French Government has informed the Government of the United States of America that in view of the current situation in the French film industry it is necessary to increase the screen time

reserved to films of national origin. The Franco-American motion picture understanding of May 28, 1946 having expired in accordance with the provisions therein, the French Government has decided, consistent with Article IV of the General Agreement on Tariffs and Trade of October 30, 1947, to reserve five weeks per quarter for the exhibition of French films, except as otherwise noted (Annex A).²

II. The French Government has decided to make certain modifications in its administrative regulations regarding the two-year rule, fifteen situations restriction, and allocation of raw stock (Annexes B, C and D).

III. In view of the current French external financial situation and balance of payments, the French Government has decided to institute a distribution quota system (applicable to imported films which are dubbed in France for distribution in the French Union) which it considers to be within the provisions of Articles XII and XIII of the General Agreement on Tariffs and Trade. Recognizing its obligations under the above-mentioned articles of the General Agreement, the French Government undertakes to relax progressively the restriction referred to in this paragraph as its balance of payments situation improves and

¹ BULLETIN of June 9, 1946, p. 999.

² Annexes not printed. For complete text, see Department of State press release 746 of Sept. 16, 1948.

to eliminate the restriction when conditions no longer justify its maintenance (Annex E).

The Government of the United States of America takes note of this decision of the French Government without prejudice to any rights which the United States Government may have under the General Agreement with respect to any action which the French Government may take to implement this decision.

IV. The two Governments have reached a mutually satisfactory understanding with respect to the financial problems arising from the distribution and exhibition in the French Union of American films (Annex F).

V. The arrangements outlined above shall enter into force retroactively on July 1, 1948, and shall remain in effect for four years from that date. Either party may request, within two months of the expiration of each annual period, a review of the provisions contained in any of the annexed documents, except as otherwise provided. This agreement, however, shall continue in full force and effect for four years except to the extent that both parties agree to modifications thereof.

Done at Paris, in duplicate, in the English and French languages, this sixteenth day of September, 1948.

For the Government of the United States of America:

JEFFERSON CAFFERY

*Ambassador Extraordinary and Plenipotentiary
of the United States of America*

For the Government of the Republic of France:

ROBERT SCHUMAN

*Minister of Foreign Affairs
of the Republic of France*

ROBERT LACOSTE

*Minister of Industry and Commerce
of the Republic of France*

THE FOREIGN SERVICE

Foreign Service To Assist Displaced Persons Commission

[Released to the press October 8]

A group of 72 members of the Foreign Service experienced in visa work are being rushed into Germany, Austria, and Italy as the result of budgetary clearance obtained on October 8 at a meeting of Budget Bureau officials with representatives of the Department of State and the Displaced Persons Commission. The arrival of this group at their new posts in Central Europe is expected to break the log jam which has been holding up the displaced-persons program passed by Congress at the last session.

October 17, 1948

Between 500,000 and 600,000 displaced persons are now concentrated in more than 200 camps maintained throughout Germany and Austria and in parts of Italy by the International Refugee Organization, a unit of the United Nations. In addition, up to 400,000 others who are homeless outside of the camps in Central Europe are also potential applicants for admission into the United States.

From this group of about a million left homeless by the ravages of World War II in Europe, 205,000 are to be permitted by law to enter the United States during the next two years, provided they can meet qualifications as to skills, ethnic origins, and time of arrival at their present abodes, and provided also satisfactory assurances in their behalf have been provided for employment, housing, or against their becoming public charges.

The 72 Foreign Service personnel now to proceed into Germany, Austria, and Italy, evenly divided between visa officers and clerks, are the forerunners of a very much larger group which will be required to implement the displaced-persons program. A preliminary sum of \$250,000 has already been allocated for the purpose, mostly to the Foreign Service, by the Displaced Persons Commission. The rate of spending, it is estimated, will exceed the appropriation made available to the Displaced Persons Commission, and therefore it is expected that a deficiency appropriation will be requested of Congress in March of 1949.

The work of providing transportation of displaced persons from Europe into the United States is being expedited by a staff of some 20 selectors and analysts of the Displaced Persons Commission in the various camps, who have been screening eligibles from the thousands of cases already processed by already over-worked American consular staffs.

Richard C. Patterson, Jr., Appointed Ambassador to Guatemala

Appointment of Richard C. Patterson, Jr., of New York City, as United States Ambassador to Guatemala was announced on September 29 by the White House.

Resignation of Dwight Griswold

On September 15 the White House announced the resignation of Dwight Griswold as Chief of the American Mission for Aid to Greece, effective September 15, 1948. For the texts of Mr. Griswold's letter to the President and the President's reply, see White House press release of September 15, 1948.

Consular Offices

The American Consulate at Plymouth, England, was closed to the public on September 30, 1948.

Executive Order Issued for Administration of Trade-Agreements Program

On October 5, 1948, the President signed Executive Order 10004,¹ prescribing revised procedures for the administration of the reciprocal trade-agreements program in accordance with the Trade Agreements Act of 1934, as amended, and the Trade Agreements Extension Act of 1948.² The new Executive order includes subject matter heretofore covered by three earlier orders which are revoked.

The new order, in general, continues in effect earlier practice under the trade-agreements program with modifications made necessary by the Trade Agreements Extension Act of 1948. The order prescribes procedures to be followed by the Trade Agreements Committee in concluding trade agreements; by the Committee for Reciprocity Information in obtaining the views of interested persons on agreements; and by the Tariff Commission in the event of serious injury or threat of serious injury to domestic industry.

The Interdepartmental Committee on Trade Agreements will continue to function as the central operating committee, giving effect to the requirement of the Trade Agreements Act that the President seek information and advice from certain named government agencies before concluding a trade agreement. Membership in the Committee will consist of persons appointed by the Secretaries of State, Treasury, Defense, Agriculture, Commerce, and Labor and by the Administrator for Economic Cooperation, under the chairmanship of the representative from the Department of State. In accordance with the Trade Agreements Extension Act of 1948, the Tariff Commission no longer has a representative as a member of this Committee, but arrangements have been made for an observer from the Tariff Commission to attend the meetings of the committee for the purpose of supplying the information hereinafter referred to.

The Committee for Reciprocity Information, which will continue to receive, digest, and circulate to the entire trade-agreements organization the views of interested persons regarding any phase of proposed or existing trade agreements, is to consist of the same persons as those who are members of the Committee on Trade Agreements. The Committee for Reciprocity Information will

function under the chairmanship of the representative of the Department of Commerce, and its offices are being moved to the Department of Commerce.

The order provides that, as before, the Trade Agreements Committee shall submit to the President for his approval a list of articles on which possible United States tariff concessions may be considered in the negotiation of proposed trade agreements. Upon approval of the list by the President, the Trade Agreements Committee publishes the list and a notice of intention to negotiate. At the same time the Committee for Reciprocity Information announces opportunity for the submission of written testimony and for subsequent oral testimony concerning concessions to be offered and granted.

In accordance with the 1948 act, the list is also to be transmitted to the Tariff Commission upon being approved by the President, for confidential report by the Commission as to the minimum United States duties which are required, in its judgment, to avoid threat of serious injury to domestic industry, and as to any United States import restrictions in addition to those already in effect, necessary to prevent such injury. In the course of its investigations, the Commission is to hold public hearings. Reports of the Commission are to be completed within 120 days and transmitted to the President for his guidance in approving concessions to be offered in proposed trade agreements.

The Tariff Commission is also to furnish to the interdepartmental trade-agreements organization factual data relative to production, trade, and consumption of articles under consideration for concession by the United States, and is to supply facts on probable effects of granting concessions and on the competitive factors involved.

Similarly, the Department of Commerce is to submit to the Trade Agreements Committee studies of the trade and other facts regarding each article exported from the United States on which the United States may consider seeking a foreign concession in a trade agreement.

On the basis of all the data available, the Trade Agreements Committee recommends to the President concessions to be sought or offered. A full report must also be made by the dissenting member or members on any dissent from the Committee's recommendations.

¹ 13 Fed. Reg. 5851.

² BULLETIN of Mar. 14, 1948, p. 351.

In conformity with past practice, each agreement is to contain a most-favored-nation commitment, and as required in an earlier order, all trade agreements are to include the comprehensive escape clause providing that future concessions may be modified or withdrawn if, as a result of unforeseen developments and of a concession in the trade agreement, any article on which a concession has been granted is being imported in such increased quantities and under such conditions as to cause or threaten serious injury to domestic industry. Procedure is also provided, as in an earlier order, for Tariff Commission investigations to determine and recommend to the President for his consideration in the light of the public interest whether concessions are causing or threatening injury under this clause.

Both the Trade Agreements Committee and the Tariff Commission are to keep informed at all times of the operation and effect of agreements in force. At least once a year the Commission is to submit to the President and to Congress a factual report on operation of the program.

Volume V of Foreign Relations of the U.S., 1932, Released

[Released to the press October 9]

The Department of State released on October 6 *Foreign Relations of the United States*, 1932, volume V, The American Republics. This volume completes the *Foreign Relations* series for 1932.

Diplomatic attention of the United States with respect to its neighbors to the south in 1932 was centered in efforts to assist in the adjustment of conflicts between sister republics. Fighting was renewed in the Chaco dispute between Bolivia and Paraguay, with the Commission of Neutrals headed by Francis White endeavoring to secure peace through its own good offices and by the co-operation of the ABCP Republics (Argentina, Brazil, Chile, and Peru) and the League of Nations. The controversy between Colombia and Peru concerning Leticia threatened to bring open warfare. There were also boundary disputes between Ecuador and Peru and between Guatemala and Honduras.

To add to the international conflicts there was political unrest, insurrection, or successful revolution in Brazil, Chile, Costa Rica, Cuba, El Salvador, Honduras, and Peru. In some of such disorders Communism played a part. The United States followed a policy of nonintervention in these domestic conflicts but was concerned with the protection of American rights and the question of the recognition of new governments.

Documents in the sections on Haiti and Nicaragua deal with problems concerning the special relations then existing between the United States

and those countries. A treaty was negotiated with Haiti for the further Haitianization of the treaty services, but it was rejected by the Haitian Congress. In Nicaragua assistance was given in the supervision of an election, following which the *Guardia Nacional* was transferred to Nicaraguan officers and the United States Marines were withdrawn from the country.

Other subjects treated include an Argentine proposal for an antiwar treaty, trade relations with Argentina, and claims conventions with Mexico and Panama.

Foreign Relations of the United States, volume V, The American Republics, was compiled by Victor J. Farrar of the Division of Historical Policy Research, under the direction of E. R. Perkins, Editor of *Foreign Relations*. Copies of this volume (979 pages) may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D. C., for \$3.25 each.

THE DEPARTMENT

Appointment of Officers

Benjamin M. Hulley as Chief of the Division of Northern European Affairs, effective July 25, 1948.

Willard F. Barber as Chief of the Division of Central America and Panama Affairs, effective September 5, 1948.

G. Frederick Reinhardt as Chief of the Division of Eastern European Affairs, effective August 30, 1948.

Jack C. McDermott as Chief of the Division of International Press and Publications, effective September 5, 1948.

Richard M. Scammon as Chief of the Division of Research for Europe, effective August 27, 1948.

Walter Wilds as Deputy Assistant Secretary for Occupied Areas, effective October 6, 1948.

PUBLICATIONS

Department of State

For sale by the Superintendent of Documents, Government Printing Office, Washington 25, D. C. Address requests direct to the Superintendent of Documents, except in the case of free publications, which may be obtained from the Department of State.

Fourth Report to Congress on Assistance to Greece and Turkey for the period ended June 30, 1948. Economic Cooperation Series 12. Pub. 3278. 71 pp. 25¢.

Fourth quarterly report of expenditures and activities in conjunction with the program for aid to Greece and Turkey. Appraises the military and economic situation in Greece and Turkey at the close of one year of U. S. aid.

Diplomatic List, September 1948. Pub. 3281. 190 pp. 30¢ a copy; \$3.25 a year domestic, \$4.50 a year foreign.

Monthly list of foreign diplomatic representatives in Washington, with their addresses.

October 17, 1948

Contents

The U.N. and Specialized Agencies

	Page
Third Regular Session of the General Assembly:	
Discussions on Progress of U.N. in Paris:	
Statement by the President	483
Statement by Secretary Marshall	483
Discussion in the Security Council of the Berlin Crisis. Statement by Philip C. Jessup	484
The U.S. in the U.N.	490

General Policy

Asia Today. By W. Walton Butterworth . .	492
Information on Improper Treatment of Americans Detained in Hungary	494
The Spotlight of the International Scene. By Charles E. Saltzman	495

International Information and Cultural Affairs

First Congress of the International Theatre Institute. Article by Rosamond Gilder .	488
---	-----

Economic Affairs

Second Meeting of Wool Study Group	491
--	-----

Treaty Information

Military Mission Agreement With Argentina	494
---	-----

Treaty Information—Continued

	Page
Franco-American Negotiations on Motion Pictures:	
Announcement of Joint Declaration	500
Joint Declaration of the Government of the United States and the Government of the French Republic on Motion Pictures	500
Executive Order Issued for Administration of Trade-Agreements Program	502

The Foreign Service

Foreign Service To Assist Displaced Persons Commission	501
Richard C. Patterson, Jr., Appointed Ambassador to Guatemala	501
Resignation of Dwight Griswold	501
Consular Offices	501

The Department

Appointment of Officers	503
-----------------------------------	-----

Publications

Volume V of Foreign Relations of the U.S., 1932, Released	503
Department of State	503

The Congress	491, 494
------------------------	----------

Contributors

Rosamond Gilder, author of the article on the First Congress of the International Theatre Institute, is Secretary of the American National Theatre and Academy and Secretary General of the United States Center of the International Theater Institute, and was a member of the United States Observer Delegation to the theater meeting at Praha, Czechoslovakia.